IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.814 OF 1998

The Commissioner of Income Tax .. Applicant.
V/s.
Anil Chemicals Pvt.Ltd. .. Respondent.

Mr.A.S. Rao i/b. Mr.Pankaj Kapoor for the applicant.

CORAM : V.C. DAGA &
J.P. DEVADHAR, JJ.

DATED : 5TH APRIL, 2005.

P.C. :

1. Heard learned counsel for the applicant. The Tribunal has referred question for the opinion of this Court reading as under :-

> Whether in the facts and in the circumstances of the case, the Tribunal was right in law in holding that the subsidy amount of Rs.14,93,800/- (building Rs.1,53,100/-) and plant and machinery Rs.13,40,700/-) received by the assessee is a capital receipt and not deductible in computing the actual cost to the assessee for the purpose of depreciation and investment allowance inspite of specific provisions of Section 43(1) of the I.T. Act ?

2. The above question has already been answered by the Apex Court in the case of **C.I.T. V/s. P.J. Chemicals Ltd. [(1994) 210 I.T.R. 830 (SC)]** in the affirmative i.e. in favour of the assessee and against the revenue. In this view of the matter, reference stands disposed of in terms of that judgment with no order as to costs.

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